GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:169
ANSWERED ON:02.08.2001
REVIVAL OF TEXTILE MILLS
CHANDRA NATH SINGH;MANIKRAO HODLYA GAVIT

Will the Minister of TEXTILES be pleased to state:

(a) the names of textile mills declared sick/closed during each of the last three years, till date, and the number of workers affected as a result thereof, mill-wise/State-wise;

(b) the reasons for closure of such mills;

(c) the dues outstanding against the mills by way of salary etc. of the workers of these mills;

(d) whether the Government have any scheme to revive the closed mills by selling its surplus land;

(e) if so, the details thereof, State-wise;

(f) whether the Government are contemplating to increase investment and ensure availability of loan for modernisation of textile mills; and

(g) if so, the details thereof?

Answer

MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a) to (g) A Statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question. No. 169 for 2.8.2001

(a) There were 33 cotton/man-made fibre textile mills (Non-SSI , State-wise) which were reported closed during the last three years (from 1.6.1998 to 31.5.2001) and registered with BIFR. Details are as follows:-

(i) From 1.6.1998 to 31.5.1999, a total of 13 mills were closed as follows:

```
State  Name & Address of the mill
  No. Of Workers affected
Andhra Pradesh  Madanpalle Spg. Mills Pvt Chittoor.   993
  Pengune Textile, Hydrabad     154
  Shri Maruthi Textiles Ltd , Chittoor    432
Haryana
  GTN Synthitics Ltd; Sirsa,     801


Karnataka Devangere Cotton Mills. Gadag,     543
Kerala  Trivandrum Spinning Mills Ltd. Balaramapuram,   280
Maharasthra   Matulya Mills Ltd Lower Parel, Mumbai   643
Tamilnadu  Shree Janardana Mills Ltd.Singanallur, Coimbatore. 400
  Vasantha Mills Ltd Singanallur, Coimbatore.  1327
  Madhu Spg. & Wvg. Mill, Coimbatore    237
Uttar Pradesh U P State Yarn Co Ltd Meeja, Allahabad,   1350
West Bengal Anantpur Textiles Ltd Hawrah     1005
Rajasthan  Sagar Spg. & Wvg. Udaipur     275
```

(ii) From 1.6.1999 to 31.5.2000, a total of 14 mills were closed as follows:

State	Name & Address of the mill	No. Of Workers affected
Andhra Pradesh	Shree Mfg.Co. Ltd, Madek	649
Gujarat	Madhu Textiles A`bad Ltd Mehsana,	925
	Maheshwari Mills Ltd Shahibaug Rd, Ahmedabad	853
	The Raipur Mfg. Co. Ltd. Saraspur Gate, Ahmedabad.	2311
Haryana	B R D Textiles Ltd. Rewari,.	64
Maharashtra	Kamala Mills Ltd Lower Parel, Mumbai.	43
	Marathe Textile Mills Miraj, Sangli,	734
	Swan Mills Ltd Sewaree, Mumbai.	933
Rajasthan	The Krishna Mills Ltd Ajmer,	431
Tamilnadu	Karur Mills Ltd Chinnamalai,.	641
	Ayyappan Textiles Ltd Ramnathpuram	323
	Sri Nadiambal Textiles Mills Pudukkottai	350
	Neo Intex Mills Ltd Dindigul	113
	Muruganathan Mills Ltd Dharmapuri	79

(iii) From 1.6.2000 to 31.5.2001, a total of 6 mills were closed as follows:

State	Name & Address of the mill	No. Of Workers affected
Andhra Pradesh	Cuddapah Spg. Mills, Cuddapah	728
Bihar	Dumaraon Textiles Ltd.Buxar	1029
Gujarat	P.G. Textiles Mills Ltd.(Anand Cotspin Ltd.) Baroda	260
Haryana	Gee Kay Textiles Ltd, Hissar.	51
Orissa	Orissa Textile Mills Ltd Cuttack	3186
Tamil Nadu	Veeraghava Textiles, Chengalput	319

(b) The mills are closed for a variety of reasons. The main reasons for closure are - sickness, technological obsolescence, lack of modernisation, financial crisis and labour problems.

(c) to (e) The Government of India has enacted the Sick Industrial Companies (Special Provisions) Act, 1985 and established the Board for Industrial and Financial Reconstruction (BIFR) for timely detection of sick & potentially sick companies and for the speedy determination of preventive ameliorative and remedial measures which need to be taken in respect of such companies . The rehabilitation scheme sanctioned by BIFR also includes the outstanding dues of salary etc. of workers and mobilization of resources through selling of land by the promoters. However, dues outstanding by way of salary are not maintained by BIFR.

(f) & (g) Government of India have launched the Technology Upgradation Fund Scheme (TUFS) w.e.f., 1.4.99, for modernisation of textile and jute industry, for a period of 5 years. The scheme provides the reimbursement of 5% interest on the loan sanctioned by the financial institutions and their co-opted agencies to the eligible units. The scheme is being operated by the Nodal Agencies, viz., IDBI, SIDBI & IFCI. As on 31st May, 2001, 953 applications were sanctioned loan of Rs.4439 crore; and Rs.2673 crores were disbursed.